

Vermont Payment for Ecosystem Services and Soil Health Working Group

Summary of Meeting #27: May 17, 2022

More detailed information, including presentation slides and the meeting recording can be found at <https://agriculture.vermont.gov/pes>.

Introduction

The Payment for Ecosystem Services (PES) and Soil Health Working Group held its twenty-seventh meeting on May 17, 2022. The objectives of the meeting were to receive an update on analysis of farmer surveys and interviews, review NRCS conservation planning tools, outline options for paying for meeting a threshold and improving against a baseline, and receive comments from members of the public.

Summary of discussion

Alissa White provided an update on research under Task 3 (farmer survey & stakeholder engagement). Work at the moment is focused on analysis of focus groups with farmer technical advisors using a grounded theory methodology. A highlight from feedback is that the program should compensate farmers adequately, since paying the minimum does not seem to be worth farmers' time. They also recommended that thinking about how the work of the program can influence long-term and nation-wide thinking. They also called out the need to invest in data interoperability and that there may be advantages to having data collected into one location with an independent 3rd party verifier.

Alissa also reviewed highlights from survey data, including that while 99% of farmers believe in the importance of soil health for the environment, only 58% believe they have the financial means to incorporate soil health enhancements into their practices. Another key insight is that preferences for payment levels differ by farm size, with per-acre payment rates lower for larger farms.

Alissa hopes to have program design recommendations within the next few weeks and will also share reports from the several workstreams with the Working Group.

Afterward, Travis Thomason (NRCS Vermont State Conservationist) shared an overview of NRCS conservation planning tools, particularly –

1. [Cropland In-Field Soil Health Assessment Guide](#)
2. VT NRCS Wildlife Habitat Evaluation Guides
 - a. [For Cropland](#)
 - b. [For Grasslands](#)
3. [Pasture Condition Score Sheet](#)

Travis highlighted that NRCS tools seek to help the producer gather enough information to be able to understand their conservation shortcomings, rather than trying to provide an expansive assessment. Farmers also set their own goals in collaboration with technical service providers. He also shared that while the Freedom of Information Act places limitations on sharing data on program enrollment, there may be opportunities to work around the requirements.

Afterward, Sonia Howlett (AAFM Water Quality Division) provided an overview of program design options for paying for meeting a threshold vs. improving against a baseline. There are 4 main options –

1. A **single threshold**, whereby farms who achieve a certain standard receive a certain payment rate
2. **Tiered thresholds**, whereby farmers receive certain payment rates based on which tier they achieve
3. A **historic baseline**, whereby current outcomes and metrics are quantified and compared to those at a historic point and farmers are paid on a per-unit basis for improvements
4. A **current baseline**, whereby current outcomes and metrics are quantified, then future metrics (or modelling results) are compared against the current metrics to determine payment rates
5. Paying farmers on a per-unit basis for improvements – but only if they meet a certain standard
6. Paying farmers on a per-unit basis for meeting a standard – but only if they demonstrate continued improvements

Sonia also outlined 4 types of farms based on their management levels over time –

1. **Early adopters** – farms with historically and currently high levels of land management
2. **Recent adopters** – farms with a currently high level of management, but poor levels of historic management
3. **Steady adopters** – farms with a poor level of past management, and moderate (and improving) level of current management
4. **Potential future adopters** – farms with current and historically poor level of management

The choice of a threshold, baseline, or combination approach would provide different opportunities for payment for each of the 4 types of farms, both at present and in the future. Sonia also highlighted that the same tools and methodologies could apply to any option and that the question is about what kinds of outcomes and farms the program should support.

Working Group members filled out a poll to determine their attitudes toward the various options. Key points from discussion were that all farms who make changes should be paid and that efforts should be put toward growing the capacity of farmers (rather than merely compensating them for what they would do regardless of the program). Members also suggested avoiding labelling farms and farmers as “good” or “bad”.

The project team will distill the results and bring them back to the Working Group for further discussion.

Comments from members of the public focused on creating a pathway for a just transition to organic-regenerative agriculture in Vermont (see attached testimony from Stephen Leslie) and supporting biodiversity of flora and fauna on Vermont’s farms.

The meeting was adjourned at 2:10 PM.

Links shared during discussions

1. [NRCS Tools Database](#)
2. [NRCS Natural Resource Concern List and Planning Criteria](#)
3. [NRCS Ecological Sciences Tools](#)